A2500-2

Paper Paperboard & Wood Pulp

MONTHLY STATISTICAL SUMMARY - Vol. 62 - No. 9 SEPTEMBER, 1984

PAPER AND PAPERBOARD: DEMAND AND PRODUCTION

Although the trend position of paper and paperboard in August held close to the July trend level (the trend position is the average of the current and previous month's seasonally adjusted rates, there are indications that the demand for paper and for some grades of paperboard is easing from the torrid pace set in the earlier months of the year.

The August trend position was at the rate of 69.4 million tons per year, fractionally below July's record-high trend figure of 69.6 million tons per year. The paper trend in August eased to 34.7 million tons per year from the previous month's 34.9 million tons, while that of paperboard held flat at 34.7 million tons per year.

Normally, such changes would be ignored because they are so small. But some early turning indicators do flash a caution sign within the printing paper grade sector; new orders for uncoated free sheet papers have been below the shipments level since March, and the unfilled order backlog as of the end of August was 47% below its year-ago level. For the entire January-August period, new orders averaged 8.8 million tons per year; shipments 9.2 million tons per year.(See Table on Page 3)

During the past six months, a growing part of the demand for uncoated free sheet papers has been met from imports. In the first quarter of 1984, for example, imports of uncoated free sheet papers were at the annual rate of 550,000 tons per year, about 2.9 times its year-ago rate. Imports peaked in the March and April, and the second quarter rate moved down to 504,000 tons per year. The June-July average rate was 436,000 tons per year. Although trending down, the August level was still quite high by historic standards.

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The decline in orders has not extended to other grades of printing-writing papers. Orders and shipments of total coated papers continued strong through August and appear to have held up well in the early weeks of September. Although the rate of groundwood paper shipments in August was somewhat below its second quarter 1984 level, imports of these papers moved strongly upward. Imports in July 1984 (the latest available) were a record-high 109,000 tons (see table on page 9), marking the third consecutive month imports of these papers exceeded 100,000 tons. The seasonally adjusted trend of printing-writing paper production during July and August averaged 18.2 million tons per year; for the entire January-August, the shipments trend was at the annual rate of 18.5 million tons.

Analysis of available market data suggests that the underlying demand for printing-writing papers continues to be relatively strong. While the growth in total economic activity as measured by the real gross national product eased to 3.6% per year in the third quarter of 1984, (preliminary estimate made by the Department of Commerce), the GNP level reached was nonetheless a record high. Similarly, total industrial production also continues at record high rates, along with levels of total employment and real income of consumers. Further, shipments of paper to such important markets as magazine and book publishers, commercial printers, envelope converters and business forms converters all show double-digit gains over year-ago levels for the entire January-August period.

Data on shipments and production of paper in the early weeks of September appear to confirm the indication that some mild correction from the earlier highs is underway. Production of total paper showed a normal seasonal decline during the Labor Day holiday week, but the post Labor Day recovery fell short of the usual seasonal gains.

Production of most grades of paperboard has continued strong since the July holiday shutdowns. Production of containerboard for domestic use in August, for example, remained above the 1.8 million tons per month level, marking the fourth month this year that this record-breaking level was exceeded. The highest monthly total reached in 1983 was October's 1.76 million tons. This strength was consistent with the pattern of shipments of fibre boxes, which, as reported by the Fibre Box Association, also continues at record-high levels. There has been some increase in inventories at mills and boxplants--primarily at the boxplants--but as of the end of August 1984 the level was equivalent to 7.1 weeks of supply, about the same as it was for the two previous months and a shade below the rate at the beginning of the year.

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PAPER AND PAPERBOARD STATISTICS

PRODUCTION, SHIPMENTS AND ORDERS
(Thousands of Tons)

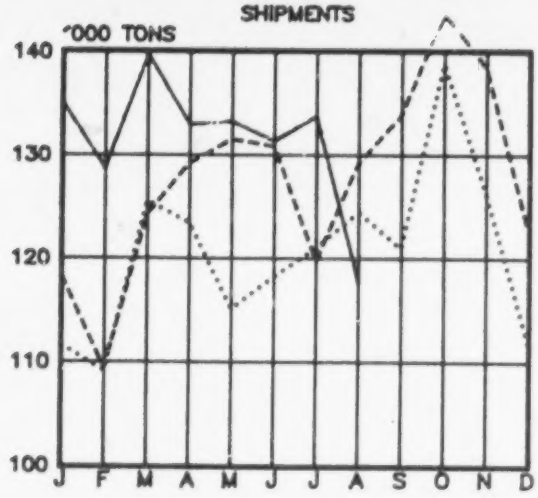
	YEAR 1982	YEAR 1983	MAY 1984	JUNE 1984	JULY 1984	AUG. 1984	Annual Rate Y-T-D 1984	% Change From same Period Last Year
					R	P		
PAPER								
Newsprint - Production	5042	5187	481	468	451	470	5385	8.3
- Shipments	4988	5153	497	461	455	460	5651	10.7
Printing & Writing	15811	17387	1611	1547	1440	1513	18469	8.3
Groundwood Paper - Shipments	1471	1531	133	131	134	118	1578	6.0
- New Orders	1481	1581	117	125	135	135	1628	4.0
- Unfilled Orders	92	159	173	165	173	189	189	27.3
Coated Paper - Shipments	4874	5696	546	524	469	528	6183	12.1
- New Orders	4941	5896	489	542	496	529	6249	8.1
- Unfilled Orders	322	546	508	510	553	546	546	-6.0
Unctd Free Sheet - Shipments	7855	8767	804	784	725	749	9227	8.4
- New Orders	7827	9077	773	696	692	692	8753	-4.2
- Unfilled Orders	321	686	502	427	405	354	354	-48.8
Thin Paper - Shipments	329	328	29	31	25	28	345	2.8
Cotton Fiber Paper - Shipments	120	131	12	12	10	10	141	9.0
Bleached Bristols - Production	862	934	86	84	77	80	986	7.5
Tissue Paper - Production	4438	4790	412	402	405	432	4911	3.0
Total Packaging & Other Paper	5300	5633	495	472	484	481	5892	6.5
Unbl. Kraft Paper - Shipments	3688	3807	323	316	328	318	3918	4.4
Other Paper - Production	1612	1826	172	156	156	162	1874	11.1
TOTAL PAPER-Production-UnadJ. *	30380	32977	2999	2888	2780	2896	34858	7.2
-Production-S.A. *			2894	2820	2982	2785	34469	6.8
PAPERBOARD - PRODUCTION								
Solid Wood Pulp Furnish	22589	24778	2324	2281	2184	2330	28845	9.2
Unbl. Kraft Linerboard (1)	13494	15001	1426	1388	1296	1427	16278	8.7
Production for Export	1931	2281	188	180	174	215	2151	-8.3
Other Unbl. Kraft Paperboard	1040	1121	113	107	107	102	1212	5.7
Semichemical Paperboard	4389	4730	436	443	438	449	5225	12.0
Production for Export	185	193	12	10	9	17	131	-29.8
Solid Bleached Paperboard	3665	3926	348	342	344	352	4130	4.8
Production for Export	525	514	37	41	36	37	477	-11.2
Recycled Paperboard	6476	7398	688	673	609	641	8031	10.0
Production for Export	13	24	1	1	1	2	15	-48.8
TOTAL PAPERBOARD-Prod.-UnadJ. *	28085	32177	3012	2854	2792	2970	34875	8.4
- Containerboard Prod.(Dom. Use)	17508	19173	1830	1807	1706	1802	21153	12.1
- Boxboard Prod.(Dom. Use) (2)	5150	5551	500	481	478	511	5873	8.4
- All Other P'bd Prod.(D.U.) (2)	3753	4397	449	433	388	387	4856	14.0
- Total Paperbd Prod. for Export	2654	3012	238	233	220	271	2793	-10.7
TOTAL PAPERBOARD PROD.- S.A. *			2839	2854	2830	2859	34175	8.0
TOTAL PAPER AND PAPERBOARD								
Production - actual *	58436	65154	6011	5842	5572	5866	69733	8.3
Production - S.A. *			5733	5675	5922	5644	68844	7.8

(1)Includes all exports of kraft paperboard.
(2)Data for unbl. kraft folding boxboard incl. in All Other P'bd.
* NOTE: Year 1984 contains one more day than year 1983.

P Preliminary
R Revised
S.A. Seasonally Adjusted

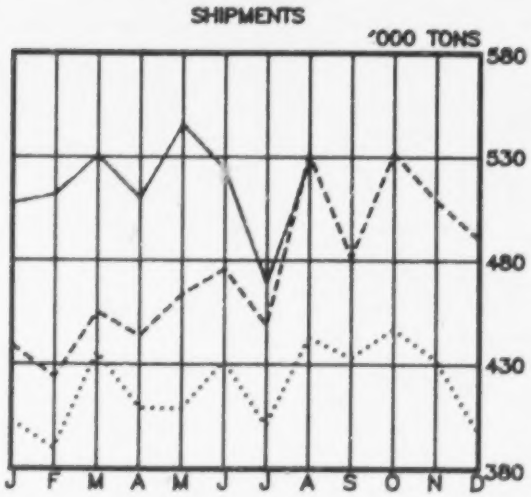
GROUNDWOOD PAPER, UNCOATED

SHIPMENTS



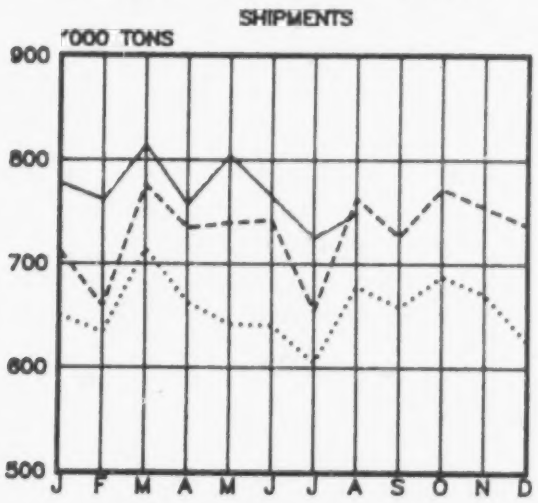
COATED PAPER

SHIPMENTS



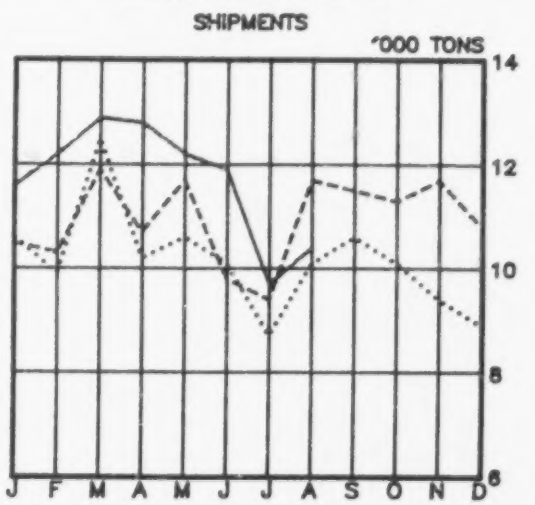
UNCOATED FREE SHEET PAPERS

SHIPMENTS



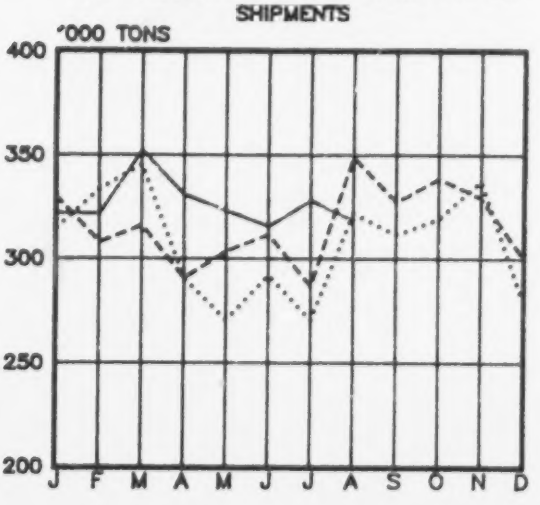
COTTON FIBER PAPER

SHIPMENTS



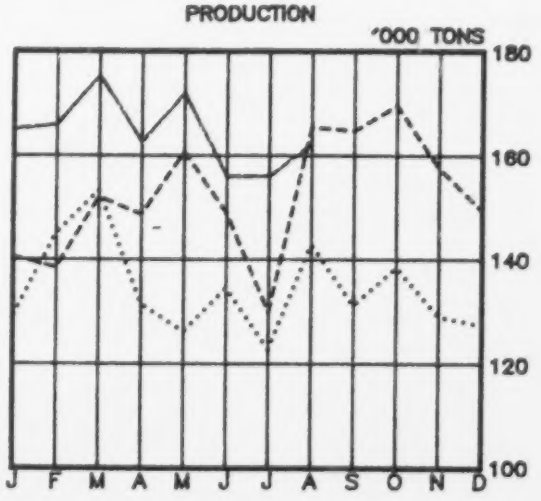
UNBLEACHED KRAFT PACKAGING AND INDUSTRIAL CONVERTING PAPER

SHIPMENTS



OTHER PAPER

PRODUCTION



1982 ····· 1983 - - - - - 1984 ———

WOOD PULP STATISTICS
(Thousands of Tons)

	YEAR 1982	YEAR 1983	APRIL 1984	MAY 1984	JUNE 1984	JULY 1984	Annual Rate Y-T-D 1984	% Change From same Period Last Year
TOTAL WOOD PULP					R	P		
Total Wood Pulp - Production	49334	52337	4715	4762	4696	4525	55856	7.8
- Imports	3836	4093	338	387	360	357	4355	11.7
- Exports	3395	3644	249	336	307	279	3637	2.2
- New Supply	49595	52986	4803	4813	4749	4603	56574	8.5
Dissolving Pulp - Production	1092	1261	117	109	100	99	1258	-0.3
- Imports	186	192	8	17	7	15	160	-28.7
- Exports	631	647	53	47	57	41	620	4.4
- New Supply	647	806	71	80	50	73	798	-10.0
Paper Grades - Production	38478	42358	3779	3826	3767	3641	44867	7.4
Chemical Pulp - Imports	3302	3706	309	349	331	321	3834	11.9
- Exports	2736	2958	192	283	243	229	2957	1.4
- New Supply	40044	43106	3896	3892	3856	3733	45844	8.2
Groundwood and - Production	3084	3087	472	476	482	469	5624	13.2
Thermo-Mech. - Imports	187	195	21	21	22	21	261	58.5
- Exports	27	40	4	7	6	9	58	22.8
- New Supply	3204	3222	489	489	498	481	5826	14.8
Semi-Chemical - Production	3699	3851	347	351	346	316	4106	7.8
- Imports	0	0						
- Exports	0	0	------	Included	with	Groundwood	Pulp	------
- New Supply	3699	3851	347	351	346	316	4106	7.8
MARKET WOOD PULP								
Total Market - Production	5732	6478	584	581	554	570	6763	5.5
Wood Pulp - Imports	2443	2845	269	274	255	281	3200	13.1
- Exports	3143	3421	281	295	313	256	3518	2.1
- New Supply	5031	6002	572	560	496	585	6444	11.2
Dissolving Pulp - Production	1089	1260	117	110	100	99	1258	-0.5
- Imports	184	210	12	24	11	20	210	-1.7
- Exports	675	698	61	63	61	46	707	0.5
- New Supply	608	772	68	71	50	73	759	-1.8
Paper Grades - Production	4643	5206	467	450	452	470	5493	7.0
Chemical Pulp - Imports	2202	2698	252	242	238	254	2818	12.8
- Exports	2468	2723	220	232	232	210	2811	2.6
- New Supply	4377	5181	498	460	438	514	5501	12.4
Groundwood Pulp - Production	1	12	1	1	2	1	13	18.5
and All Other - Imports	46	38	13	8	6	7	85	205.8
- Exports	0	0	0	0	0	0	0	0.0
- New Supply	47	49	14	9	8	8	98	152.0

SOURCES: Total Wood Pulp Production & Market Wood Pulp Production, Imports & Exports - Pulp Division, Pulp, Materials and Technology Group, API. Total Wood Pulp Imports & Exports - Department of Commerce.

FIBROUS RAW MATERIALS
(Thousands of tons)

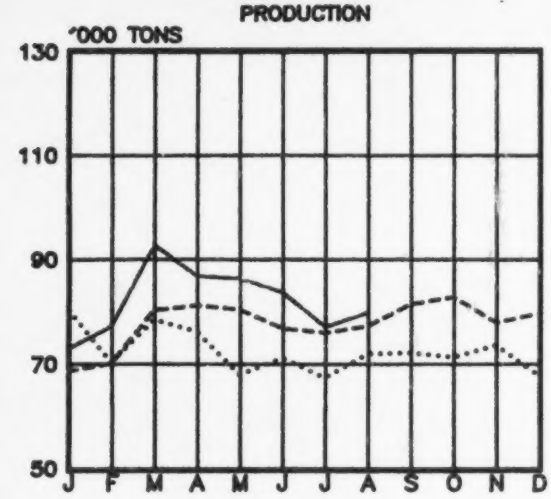
CONSUMPTION AT PAPER & PAPERBOARD MILLS					R	P		
Total	61332	65517	5880	6100	5856	5630	70197	9.2
Total Wood Pulp	47767	50978	4527	4703	4562	4431	54385	8.8
Waste Paper	13565	14539	1353	1397	1294	1219	15802	10.4
INVENTORIES								
Own Use Wood Pulp at Pulp Mills	177	170	157	146	155	153	153	-25.2
Market Pulp at Pulp Mills	437	384	341	329	319	378	378	-17.2
Mkt Pulp at Ppr. & Bd. Mills *	429	504	618	594	596	542	542	25.2
Waste Paper at Paper &Bd. Mills	1022	920	886	858	870	834	834	7.8
Days of Supply at Pulp Mills of Chemical Paper Grade Mkt Pulp	37	28	22	21	25	30	30	-8.1

SOURCES: Wood Pulp Data, Pulp Division, Pulp, Materials and Technology Group, API. Waste Paper Data, Paper Recycling Committee, API.

* - Census data prior to 1982; P - Preliminary; R - Revised; (0) - Indicates zero to five-hundred short tons

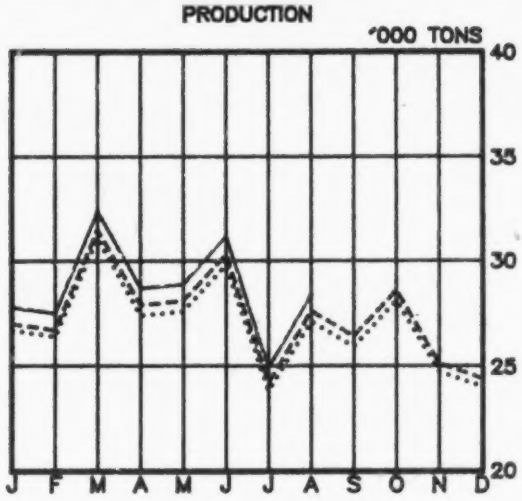
BLEACHED BRISTOLS

PRODUCTION



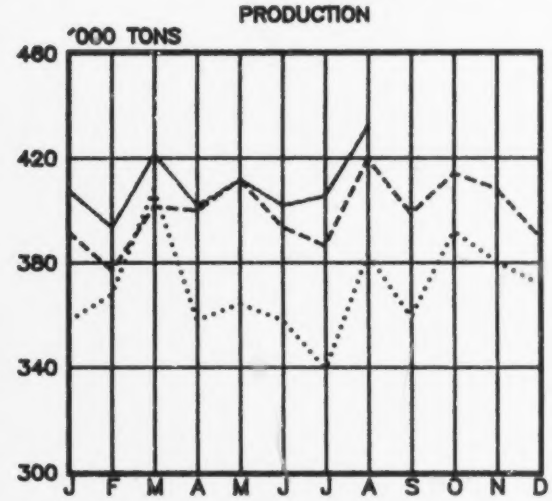
THIN PAPER

PRODUCTION



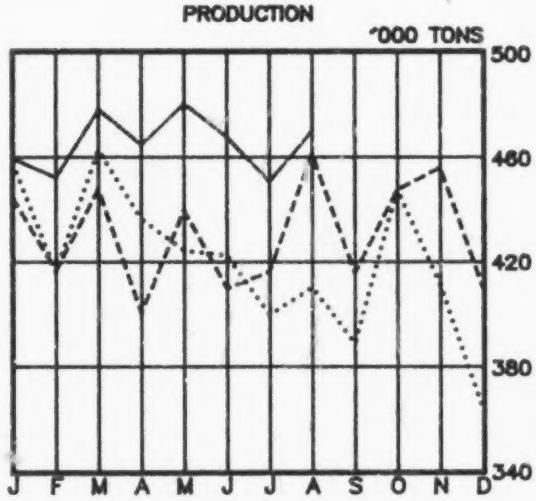
TISSUE PAPER

PRODUCTION



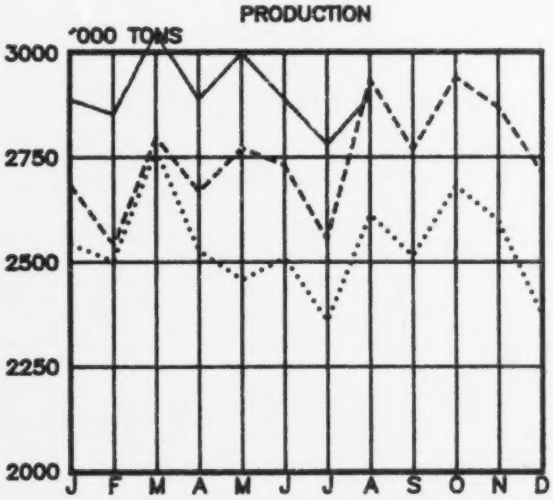
NEWSPRINT

PRODUCTION



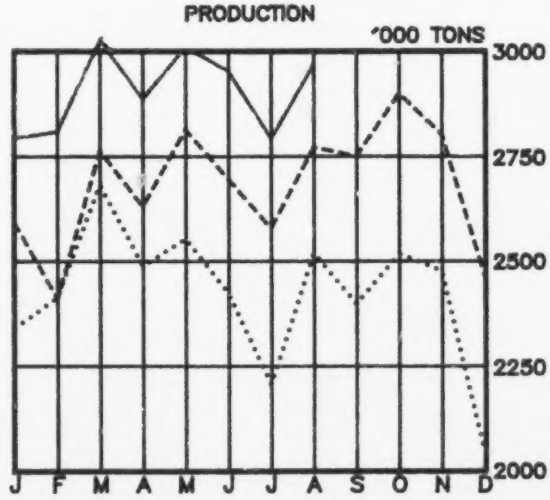
TOTAL PAPER

PRODUCTION



TOTAL PAPERBOARD

PRODUCTION



1982 ····· 1983 - - - - - 1984 ———

FIBROUS RAW MATERIALS (Continued)
(Thousands of Standard (128 cubic Feet) Cords)

		YEAR 1982	YEAR 1983	APRIL 1984	MAY 1984	JUNE 1984	JULY 1984	Annual Rate Y-T-D 1984	% Change From same Period Last Year
PULPWOOD									
Total U.S.	- Total Receipts	78519	84475	7100	7425	7423	7197	87843	6.3
	- Total Consumpt.	79039	85442	7344	7438	7264	7192	88078	4.2
	- Residues *	31152	32755	2755	2817	2652	2547	32585	1.1
	- Inventories	3426	5229	4777	4782	4682	4621	4621	-6.7
So. Atlantic	- Total Receipts	23769	25736	1870	2285	2402	2301	26570	5.0
	- Total Consumpt	23725	25847	2020	2212	2290	2301	26549	3.7
	- Residues *	8273	7804	624	715	721	660	8133	5.7
	- Inventories	1165	1163	900	1033	1080	1039	1039	-4.7
Northeast	- Total Receipts	7283	7051	535	566	606	577	7323	8.3
	- Total Consumpt	7221	7274	693	586	648	542	7649	6.7
	- Residues *	1452	1189	127	125	113	115	1384	23.0
	- Inventories	652	577	459	410	375	422	422	-4.7
South Central	- Total Receipts	26510	29409	2634	2638	2705	2555	30765	7.8
	- Total Consumpt	27153	29152	2539	2591	2575	2618	30581	8.0
	- Residues *	8616	9218	761	748	769	757	9012	-1.4
	- Inventories	1346	1536	1375	1381	1426	1181	1181	-5.4
North Central	- Total Receipts	5801	6265	439	554	582	578	7017	12.7
	- Total Consumpt	5706	6343	552	590	580	523	6775	6.6
	- Residues *	1517	1822	111	146	138	121	1529	-15.2
	- Inventories	825	851	890	836	821	817	817	1.3
West	- Total Receipts	15356	16014	1521	1382	1128	1188	16187	2.1
	- Total Consumpt	15234	16826	1540	1460	1191	1208	16545	-0.0
	- Residues *	11294	12612	1132	1083	913	894	12528	0.4
	- Inventories	1338	1102	1153	1122	980	1152	1152	-15.0

* - Consumption of Residues in Cord Equivalents. SOURCE: American Pulpwood Association

UNITED STATES TRADE WITH CANADA
IMPORTS FROM CANADA

	YEAR 1983 Tons	YEAR 1983 $000	JUNE 1984 Tons	JUNE 1984 $000	JULY 1984 Tons	JULY 1984 $000	Annual Rate Y-T-D 1984	% Change From same Period Last Year
Pulpwood, Roundwood (in cords of 128 cubic feet)	155124	7471	11983	605	31923	1851	192048	97.7
Pulpwood Chips	1987168	48979	135223	2992	151199	3336	2405565	23.0
Wood Pulp, Total	3755201	1363975	347754	148587	322781	141017	3995789	13.4
Waste Fibrous Materials, Total	157732	26491	13482	2421	12364	2275	158212	2.8
Paper, Board & Products,Total	8274814	3372726	849271	359401	852052	365480	9222337	14.8
Paper, Paperboard,Wet Machine Bd. & Constr. Paper & Bd.	8221322	3274062	844216	350006	845749	355105	8135878	14.5
Paper Paperboard & Products	7846516	3277874	812131	351025	804934	355396	8791875	15.8
Paper & Paperboard, Only	7792924	3179310	807078	341631	798631	345021	8725218	15.5
Paper, Total	7633585	3138193	793533	337613	782829	340410	8498006	14.8
Newsprint	6845135	2732234	718102	285467	695092	292489	7585352	13.8
Printing,Writing & Rel.Pap.	695907	348512	66850	35185	79625	42214	782484	21.8
Pack. & Ind. Conv. Paper	79208	46889	8968	5517	6113	3884	101861	38.0
Special Industrial Paper	2732	4473	275	482	453	797	3488	28.2
Tissue Paper	10602	7085	1337	953	1545	1028	18021	62.3
Paperboard, Total	159339	40117	13543	4017	15802	4611	226212	51.5
Convtd Paper&Paperbd Products	53592	98664	5055	9385	6303	10375	86457	34.7
Wet Machine Board	3036	1918	168	106	100	69	2373	-28.2
Construction Paper & Board	425362	92836	36972	8270	47017	10015	428288	-2.8

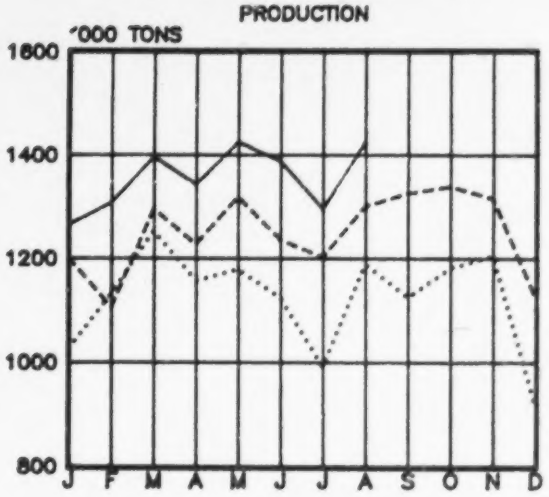
EXPORTS TO CANADA

Pulpwood, Roundwood (in cords of 128 cubic feet)	68965	4381	13135	980	8374	571	76868	37.8
Pulpwood Chips	38248	2026	1743	80	148	7	31128	-23.8
Wood Pulp, Total	133633	55369	9675	4600	14391	6775	168315	22.5
Cotton Pulp & Other Pulp	9567	5287	793	536	593	371	10689	12.8
Waste Paper	346808	39478	28094	3380	29815	3421	336007	2.1
Paper, Board & Products,Total	659229	471256	59002	42659	61252	42106	788594	22.4
Paper, Paperboard, Wet Machine Bd. & Constr. Paper & Board	448117	306687	43097	28911	46637	29461	577554	28.4
Paper, Paperboard & Products	628109	459325	56403	41556	58978	41033	757348	23.9
Paper & Paperboard, Only	416988	294756	40498	27808	44363	28388	546308	31.1
Paper, Total	230771	210626	20425	18858	28445	20848	319760	38.0
Newsprint	4312	3805	319	271	308	267	5350	33.1
Printing,Writing & Rel.Pap.	125110	101541	8906	9277	11578	10391	140754	15.4
Pack. & Ind. Conv. Paper	34403	20921	2288	1485	4070	2498	46802	50.0
Special Industrial Paper	83390	81388	7759	7592	12178	7481	123899	75.4
Tissue	3556	2969	152	235	310	231	2856	-24.5
Paperboard, Total	198226	84131	20073	8949	15818	7541	226548	22.3
Convtd Paper&Paperbd Products	211112	164568	15806	13748	14615	12645	211040	8.5
Wet Machine Board	5289	2976	436	308	351	338	5356	-13.0
Construction Par & Bd. E	25831	8955	2163	797	1823	735	25880	-3.9

SOURCE: Bureau of Census, Department of Commerce. E - Estimate of tonnage based on square foot data

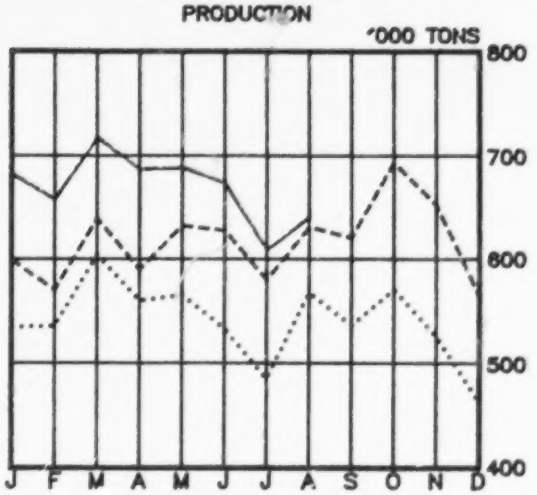
UNBLEACHED KRAFT LINERBOARD

PRODUCTION



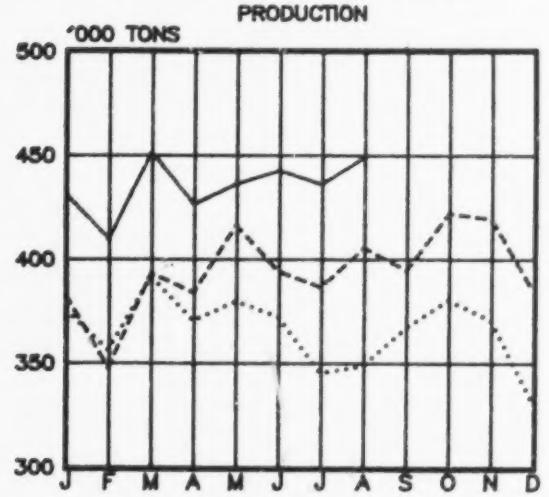
RECYCLED PAPERBOARD

PRODUCTION



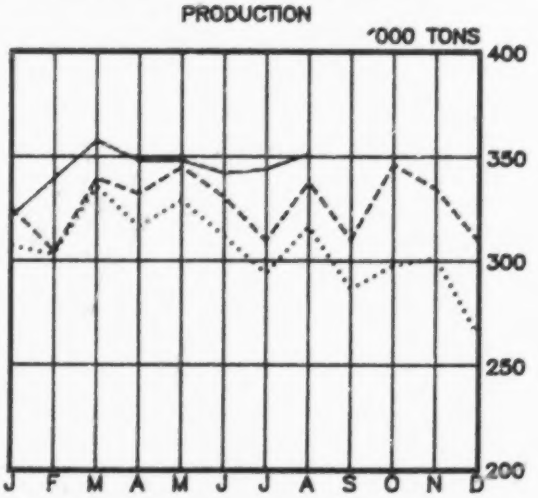
SEMICHEMICAL PAPERBOARD

PRODUCTION



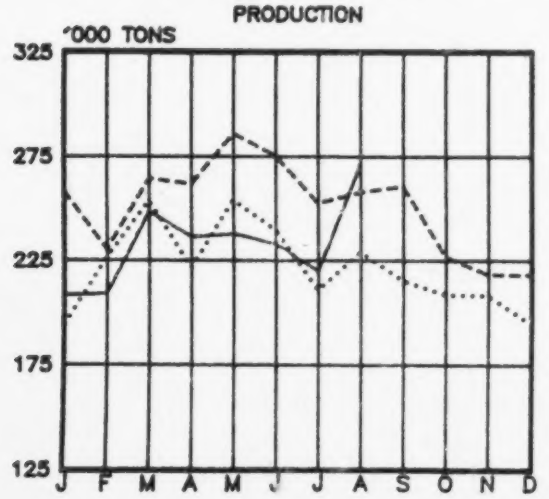
SOLID BLEACHED PAPERBOARD

PRODUCTION



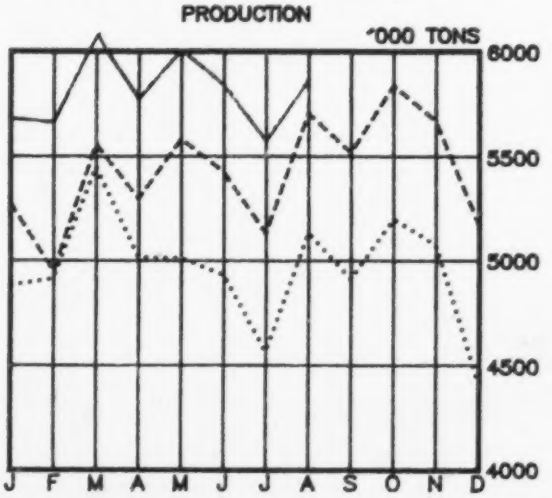
PAPERBOARD FOR EXPORT

PRODUCTION



TOTAL PAPER AND PAPERBOARD

PRODUCTION



1982 ····· 1983 - - - - - 1984 ———

PULP PAPER AND PAPERBOARD IMPORTS AND EXPORTS DATA

IMPORTS

	YEAR 1983 Tons	YEAR 1983 $000	JUNE 1984 Tons	JUNE 1984 $000	JULY 1984 Tons	JULY 1984 $000	(1) Annual Rate Y-T-D 1984	% Change From same Period Last Year
Pulpwood Roundwood (cords)	155124	7471	11993	605	31923	1851	192132	87.8
Pulpwood Chips	1991453	49104	135224	2992	151218	3339	2405882	22.8
Total All Imports	13248280	5526141	1382987	626679	1409498	659096	15514461	22.6
Wood Pulp Total	4093436	1472478	360489	153248	356727	154666	4355122	11.7
Waste Paper	100410	10537	12790	1638	7940	866	112233	16.7
Other Fibrous Materials	68003	24272	6119	2278	5700	2003	70374	3.3
Paper Board & Products Total	8986431	4018855	1003588	469515	1038132	501562	10876732	27.7
Paper Paperboard Wet Machine Bd. & Construction Paper & Board	8834560	3982292	987534	427042	1018840	449340	10767360	27.3
Paper Prbd & Prds ex Cnst&WMB	8509180	3811581	963486	460381	987216	490005	10501065	29.5
Paper & Paperboard Only	8357308	3475028	947431	417918	966925	437782	10291693	29.1
Paper Total	8189491	3428868	931250	412809	941568	430253	10032066	28.4
Newsprint	6918348	2757524	740473	303870	721737	302396	7824624	16.1
Printing & Writing	1131011	587426	176711	98654	207510	118185	2032575	111.5
Uncoated Groundwood	732237	331017	102889	50798	108882	53035	1080228	69.8
Uncoated Book	154147	88632	17117	11124	15194	9877	257660	88.4
Coated Print.& Impres. Pap	162441	101289	33474	22508	55302	37905	377885	217.5
Bristols	471	557	71	87	40	46	623	86.8
Writing and Similar Paper	81458	46718	16389	9822	23900	13778	261164	373.4
Thin (except Cigarette)	20258	19213	6772	4516	4181	3525	55015	293.4
Total Pkg & Other Paper	107515	75694	12314	8906	10109	8169	154778	57.2
Unbleached Kraft Paper	42013	17454	3358	1663	2782	1169	47101	31.0
Other Pkg. & Indust. Paper	65503	58240	8956	7243	7327	6999	107677	72.3
Tissue	11817	8225	1752	1279	2213	1523	20089	88.8
Paperboard, Total	167818	46160	16181	5108	25357	7528	259627	82.8
Test or Containerboard	48119	13042	4419	1493	6738	1546	74465	51.8
Semi-Chemical Corrugating	68564	14509	5768	1517	8047	2047	108165	77.7
Other Paperboard	50136	18609	5994	2099	10572	3936	76997	55.8
Convtd Paper&Paperbd Products	151872	436563	18055	42473	20291	52222	209372	53.8
Paper Products, Total	124818	373966	13561	36835	16757	45253	178154	63.3
Paperboard Products, Total	27055	62597	2494	5638	3534	6969	31218	16.0
Wet machine Board	3584	2422	242	167	235	221	3243	-10.9
Construction Paper & Board	473667	104842	39860	8957	51680	11336	472424	-2.4
Notes								
Other: No Weight Avail. ($000)		148251		16047		20518	193610	48.8
Total Imports Incl. Other($000)		5674392		642726		679615	7183527	22.8

EXPORTS

							(1)	
Pulpwood, Roundwood (cords)	69487	4405	13135	980	8374	571	77223	36.8
Pulpwood Chips	2554176	171269	231533	15329	196135	13569	2344186	-13.1
Total All Exports	10888848	4221511	1015192	416946	981417	370116	11500268	8.5
Wood Pulp,Total	3643983	1362022	306589	133108	278776	119788	3636801	2.2
Cotton Pulp and Other Pulp	102863	69805	7858	6758	5683	5231	87869	-11.2
Waste and Old Paper	2573716	308915	276064	36246	300665	3377.	3218448	38.1
Paper, Board & Products,Total	4568407	2480769	424681	240835	376293	211327	4557150	-1.2
Paper,Paperboard,Wet Machine Bd. & Construction Paper & Board	3884277	1717768	373172	167528	331168	153067	3958375	-2.2
Paper, Prbd & Prod ex Cnst&WMB	4501038	2448779	418748	237584	371348	207703	4476813	-1.4
Paper & Paperboard, Only	3916910	1685778	367239	164277	326223	149443	3878038	-2.5
Paper, Total	773414	599370	57888	48553	73047	53726	837154	4.5
Newsprint	284870	127118	21177	8210	25068	8740	310725	4.1
Printing & Writing	201798	198304	14219	15947	16738	17964	208271	4.1
Uncoated Groundwood	37289	33300	2140	1937	2142	2183	29405	-22.9
Clay Coated Paper	79182	60033	6077	5302	7321	5827	91609	23.0
Uncoated Free Sheet	58125	71662	4860	6640	4432	6045	64900	6.8
Other Printing & Writing	26202	33310	1142	2068	2843	3905	22357	-16.5
Total Pkg. & Other Paper	260865	255086	20762	21461	29457	24105	289602	4.7
Unbleached Kraft	116170	43227	7566	3026	9370	3956	108089	-12.0
Other Pkg. & Indust. Paper	144695	211859	13196	18435	20087	20148	181513	17.2
Tissue	15881	18861	1730	1936	1784	1917	18555	11.7
Paperboard, Total	3143496	1086408	309352	115724	253176	95718	3040885	-4.3
Solid Wood Pulp	2893868	1016184	296799	109665	242772	90429	2891586	-4.3
Total Linerboard	2254538	575862	225703	68925	179358	55932	2117507	-6.1
Bleached Kraft Linerboard	160253	64914	9083	3833	14340	5852	132336	8.9
Unbleached Kraft Linerbd	2094285	510948	216611	65092	165019	50080	1985170	-7.0
Other Unbleached Kraft	107141	51822	9559	4693	13030	4991	131381	20.9
Other Bleached Kraft	558431	371357	59651	35450	48127	28797	602294	5.8
Semi-Chemical Corrugating	73758	17144	1885	597	2257	709	40384	-54.2
Recycled Paperboard	149628	70224	12553	6059	10404	5288	148319	-3.8
Convtd Paper&Paperbd Products	584128	763001	51509	73307	45125	58260	598775	6.1
Paper Products, Total	311722	535598	27879	51572	21210	38233	312299	1.9
Paperboard Products, Total	272408	227406	23630	21735	23915	20027	286476	11.2
Wet Machine Board	11822	5420	578	388	1432	725	14188	8.2
Construction Paper & Board E	55746	26570	5354	2853	3514	2999	66141	19.8
Notes								
Other: No Weight Avail. ($000)		7965		761		1587	8335	34.3
Total Exports Incl. Other($000)		4229475		417707		371713	4573397	8.5

SOURCE: Bureau of Census, U.S. Department of Commerce. E - Incl. estim. of tonnage based on square foot data.
(1) Annual Rate Year-To-Date is in tons unless otherwise specified in item description.

PRODUCER PRICE INDEXES
1967 = 100

	1982	1983	MAY	JUNE	JULY	AUG.	Annual Rate Y-T-D 1984	% Change From same Period Last Year
Pulp, Paper and Products except Building Grades	273.2	271.4	292.7	293.3	295.6	296.3	290.2	7.8
Pulp Paper & Products: ex. Building Grades & ex Waste Paper #	275.9	273.3	297.7	293.9	296.3	297.0	291.1	7.2
Total Wood Pulp	379.1	347.1	405.1	407.6	410.6	410.0	392.4	13.8
Total Paper	286.3	282.3	301.3	301.4	307.9	306.9	301.0	7.8
Total Paper, exc. Newsprint	278.3	277.0	300.7	300.9	304.5	304.5	300.2	9.8
Newsprint	315.8	303.0	314.8	314.8	334.7	330.7	318.3	6.3
Total Paperboard	254.9	250.8	276.9	279.1	279.1	285.4	275.1	11.2
Total Paper and Paperboard #	276.5	272.4	293.6	294.4	298.9	300.2	292.9	8.8
Converted Products	264.4	265.4	280.6	280.8	281.9	282.4	277.8	5.0
Waste Paper	121.1	158.6	259.3	257.3	254.7	254.5	246.0	84.7
All Commodities	298.3	303.1	311.7	311.4	312.0	310.8	310.7	3.0
Industrial Commodities	312.3	315.7	323.3	323.9	324.0	323.5	322.3	2.5

SOURCE: Producer Price Indexes -Bureau of Labor Statistics, U.S. Department of Labor # Computed by API

Production of unbleached kraft linerboard--the largest component of containerboard--is also at record high levels. The August 1984 total of 1,427,000 tons represents the highest monthly total ever reached. This record-high rate reflected not only strong domestic demand, but also a resurgence in export demand. Production of kraft linerboard for export in August moved above the 200,000 tons per month level for the first time this year. The rate of production of kraft linerboard for export in the first eight months of 1984 was a respectable 2.1 million tons per year. While this was 8% below the comparable 1983 total, the rate for the June-August 1984 period almost matched the total 1983 rate.

The production of boxboard for domestic use shows a similar pattern. The August 1984 level of 511,000 tons was second to March's all-time high of 531,000 tons; August was the fourth month in 1984 when boxboard production for domestic use exceeded 500,000 tons per month, a level never reached in any earlier year.

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The strength in domestic demand for boxboard is concentrated mainly in the markets for folding and set-up boxes, reflecting the strong demand for total packaging materials. Production of solid bleached folding boxboard for domestic use in the first eight months of 1984 was 10.3% above its year earlier level, while recycled folding boxboard showed an 8.9% gain. Folding boxboard exports, however, were down 18.8%. Virtually all the folding boxboard exported is made from bleached paperboard; total production of bleached paperboard for export in the January-August 1984 period, was 11% below its year-ago level. Exports of milk-carton and other food service products --another important sector of bleached paperboard-- declined 8.4%.

Total production of the other boxboard grades for the entire January-August 1984 period was an exceptionally strong 13.8% ahead of its year-ago rate. However, one of the earlier major gainers - gypsum wallboard facings - showed a 31% decline from its August 1983 level in August 1984. This product is used mainly in residential housing, and the recent decline in housing starts was the trigger for this decline. Tube, can and drum stock, which is also included with these other paperboards, continued its strong performance in line with the strength in demand for packaging materials.

FIBROUS RAW MATERIALS

The strength in demand for recycled paperboard evident so far this year has resulted in an increase in the relative use of waste paper in the paper and paperboard furnish. As the data in the table on page 5 show, total consumption of waste paper at paper and paperboard mills in the first 7 months of 1984 was at the average rate of 15.8 million tons per year, 10.4% above its year-earlier level. Use of wood pulp, at 54.4 million tons per year, rose 8.8%.

MARKET WOOD PULP

Shipments of chemical paper grade market wood pulp were below the level of production in July and August, resulting in an increase of about 100,000 tons in inventories held at producing mills. However, the level of inventories as of the end of August was still some 13% below its year-ago level.

Continued on Page 12

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The rate of chemical paper grade market pulp shipments in August dipped below its year-ago level, but shipments for the entire January-August period were still 6% above their comparable 1983 level. Shipments to the domestic market were up 12%, reflecting the strong demand for printing and writing papers. Export shipments were up 1%, reflecting a 23% increase in shipments to Japan (accounting for 20.3% of the export total) a 5% decline in shipments to Western Europe (accounting for 50% of the total) and a 1% decline in shipments to the remaining countries.

CAPITAL EXPENDITURES AND APPROPRIATIONS

The latest data from the Department of Commerce, published in mid-September, show that expenditures on new plant and equipment by paper and allied products corporations will be a record-high $7.13 billion in 1984, 15.3% above the 1983 total. Data from The Conference Board confirm that strength. The Conference Board reported that newly approved capital appropriations by those paper and allied included in the thousand largest corporations in the United States amounted to $1.9 billion in the second quarter of 1984. In the previous two quarters, the Board reported appropriations of $1,136 million for the fourth quarter of 1983 and $999 million for the first quarter of 1984. Capital expenditures by these companies averaged $846 million per quarter in these three quarters, so that the backlog of unspent appropriations rose from $4.3 billion as of the end of the third quarter of 1983 to $5 billion as of mid-1984.